



General Assembly

January Session, 2011

Committee Bill No. 703

LCO No. 3109

03109SB00703TRA

Referred to Committee on Transportation

Introduced by:
(TRA)

***AN ACT REDUCING THE SURETY BOND REQUIREMENT FOR A
USED CAR DEALER'S LICENSE.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (b) of section 14-52 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective*
3 *October 1, 2011*):

4 (b) (1) Except as provided in subsection (c) of this section, each
5 applicant for a repairer's or a limited repairer's license shall furnish a
6 surety bond in the amount of five thousand dollars.

7 (2) Except as provided in subsection (c) of this section, each
8 applicant for a new car dealer's [or a used car dealer's] license shall
9 furnish a surety bond in the amount of fifty thousand dollars and each
10 applicant for a used car dealer's license shall furnish a surety bond in
11 the amount of twenty thousand dollars.

12 (3) Each applicant for a leasing or rental license issued pursuant to
13 section 14-15, who is engaged in the leasing or renting of motor
14 vehicles for periods of thirty days or more shall furnish a surety bond

15 in the amount of ten thousand dollars.

16 (4) Each such bond required under subdivisions (1) to (3), inclusive,
 17 of this subsection shall be conditioned upon the applicant or licensee
 18 complying with the provisions of any state or federal law or regulation
 19 relating to the conduct of such business and provided as indemnity for
 20 any loss sustained by any person by reason of any acts of the licensee
 21 constituting grounds for suspension or revocation of the license or
 22 such licensee going out of business. Such bond shall be executed in the
 23 name of the state of Connecticut for the benefit of any aggrieved party,
 24 but the penalty of the bond shall not be invoked except upon order of
 25 the commissioner after a hearing held before said commissioner in
 26 accordance with the provisions of chapter 54.

This act shall take effect as follows and shall amend the following sections:		
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Section 1	October 1, 2011	14-52(b)
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Statement of Purpose:

To reduce the surety bond required from an applicant for a used car dealer's license from fifty thousand dollars to twenty thousand dollars.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

Co-Sponsors: SEN. GUGLIELMO, 35th Dist.

S.B. 703